

**USAID/Office of Private and Voluntary  
Cooperation**

**Annual Report**

**FY 2004**

June 15, 2004

## **Please Note:**

The attached RESULTS INFORMATION is from the FY 2004 Annual Report and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

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## **Office of Private and Voluntary Cooperation**

### **Performance:**

In early FY 2003, the Office of Private and Voluntary Cooperation (PVC) initiated a new strategic plan. Under the previous strategic plan, PVC's primary focus had been on strengthening the capacity of U.S. private voluntary organizations (PVOs) to better enable them to provide services to local non-governmental organizations (NGOs). While the services that PVOs were to provide to NGOs often included explicit reference to the transfer of both technical and organizational skills, in reality, the focus often emphasized technical skills since USAID funding is provided in technically specific categories and since technical skills are often more tangible, therefore more readily measured in terms of results.

The new PVC strategic plan has two strategic objectives, the first of which (SO 2) focuses on strengthening the local NGOs directly and, within this, to focus more specifically on the organizational strength and development of NGOs (with the understanding that technical development will be largely but not exclusively in the purview of other USAID operating units with which PVC will cooperate). The logic behind this explicit focus on NGO organizational development is that: (1) it is an area that has not been addressed or documented as systematically as necessary by USAID (although it certainly has been addressed in bits and pieces over the years by a number of USAID operating units) and (2) organizational strength is an essential part of longer-term sustainability of technical services. While USAID technical support has often been able to demonstrate significant technical results (e.g., percent of population vaccinated, change in infant mortality rate, number of small business loans provided) over the life of USAID funding, there has been much less effort to systematically measure the organizational skills and strengths of NGOs -- therefore their potential sustainability as organizations over time -- to continue to deliver technical services beyond USAID funding.

The second PVC strategic objective (SO 3) remains focused on strengthening U.S. PVOs, but only on PVOs that are new to the USAID development stage (e.g., those PVOs that may have been working in international development for years using only private funds and/or those that may have been working on domestic U.S. issues relevant to development, such as poverty reduction, and now want to expand to international involvement). While this second strategic objective remains "on the books," thus far PVC has not had sufficient program funds to be able to initiate any implementation mechanisms. Thus, no FY 2004 or 2005 funds are being requested for this SO, and to date, there is nothing to report in terms of results.

Since this PVC strategy (specifically, only SO 2 related to NGO strengthening) is new, the major accomplishments in the past year have been the development and signing of two new implementation mechanisms, the NGO Sector Strengthening grants program and the Capable Partners program. The first provides grants to U.S. PVOs to work with NGOs in countries worldwide over a period of two to five years to strengthen these NGOs and the networks to which they belong. The second, Capable Partners, program provides field support to mission partners as well as a wider group of NGO networks worldwide for a series of specific organizational skills; skills training will be available in advocacy, monitoring and evaluation, and public-private sector linkages, with USAID missions and offices able to request assistance in strengthening other organizational skills, depending on local circumstances and needs. Both of these new programs have just begun implementation as of early FY 2004. A new cooperative development grant program has been advertised, and a series of new grants to cooperative development organizations will be obligated in FY 2004.

In addition to the design of a new implementation portfolio, PVC has also completed a Performance Management Plan (PMP) to systematically track progress in organizational development over the five year period of the strategy. To supplement this PMP, PVC will also undertake an ambitious in-house

research program in FY 2004, to review past PVO reporting and identify key organizational lessons previously reported but perhaps not systematically captured and documented across PVOs, across technical sectors, across stable and less-stable country environments, and/or across geographic regions. PVC will systematically look for several specific trends associated with organizational development, among them: the role of organizations in varying situations from conflict/instability to transition to stability; the responsiveness of organizations to a variety of population/constituency groups (e.g., poor/non-poor, men/women, different ethnic/religious groups); and the strengths and weaknesses of organizations in delivering services in different technical sectors (e.g., health, credit, education, agriculture).

Given the organizational focus on the PVC strategy and the inherently intangible nature of organizational development, PVC's PMP may appear subjective to some. PVC recognizes the intangible nature of its program focus and, therefore, of its ability to measure results. However, we are confident that the PVC PMP will measure organizational development results with a reasonable degree of reliability and help begin to demonstrate that strong and skilled organizations are indeed a key aspect not only of development but, more importantly, of the sustainability of development results, once achieved.

Although the current PVC strategy is new, it should be noted that, even under the previous strategy (i.e., SO 1, which has focused on U.S. PVO strengthening to improve abilities to provide development support to NGOs), some lessons have been learned that are applicable to the newer emphasis on NGO capacity building. For example, 97 percent of grantees responding to a recent survey consider their organizations stronger at present than at the beginning of their PVC grants; 32 percent of these PVC grantees consider the capacity of their organization to perform its primary mission to be "excellent," while another 55 percent consider their capacity to be "very good." Some PVOs report major multi-year organizational changes to improve efficiency and effectiveness as a result of the lessons they have learned from their PVC grants. In addition, 86 percent of respondents say that they review and assess the organizational strengths and weaknesses of their local NGO partners. Of this 86 percent, 96 percent systematically work with these NGO partners to overcome organizational weaknesses as they are identified. Sixty-one percent of PVC's U.S. PVO grantees also have observed improvements in their NGO partners' capacities as a result of the NGOs' involvement in networks of similar organizations. With the new grants to implement SO 2 directly, PVC anticipates the ability to identify more detailed and prioritized approaches to organizational development based on refinements of these prior efforts. By the end of SO 2, PVC will have disseminated lessons learned and best practices to missions, other USAID offices in Washington, other donors and throughout the PVO and cooperatives communities.

**Country Close and Graduation:**

not applicable

## **Results Framework**

### **963-001 Increased capability of PVC's PVO partners to achieve sustainable service delivery**

#### **SO Level Indicator(s):**

- Percent of PVC grantees rating their overall capacity to deliver services as excellent or very good
- Percent of PVC grantees that are stronger now than at the beginning of grant
- Percent of PVO grantees conducting organizational assessments over the life of the grant
- Percent of PVO grantees that assessed local partner capacity

- 1.1** Operational and Technical Capacity of PVC's Grantees Improved
- 1.2** Strengthened Partnership between USAID and US PVOs
- 1.3** Strengthened US PVO and NGO Partnership
- 1.4** Improved Mobilization of Resources by PVC's PVO Partners
- 1.5** US Public Awareness Raised

### **963-002 Enhanced NGO capacity to deliver development services in select USAID countries**

#### **SO Level Indicator(s):**

- Number of target NGOs and cooperatives demonstrating improved organizational development
- Percent of recipient NGOs and cooperatives showing improved delivery of development services
- Percent of target NGO constituents perceiving services as effective

- 2.1** Strengthened operational, technical, and financial capabilities of NGOs and cooperatives
- 2.2** Expanded linkages among NGOs, networks, and public and private sector institutions
- 2.3** Wider and more effective learning and dissemination of tested innovations, best practices, lessons learned and standards

### **963-003 Increased mobilization of U.S. Development Resources**

- 3.1** Increased operational and technical capacities of select PVOs
- 3.2** Expanded collaboration between PVOs and corporations